GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2005
ANSWERED ON:01.12.2000
CAPITAL MARKET
BHAWANA GAWALI (PATIL)

Will the Minister of FINANCE be pleased to state:

(a) whether a bearish phase has set in the capital market due to strict norms as has been stated by the Prime Minister`s Advisory Council; and

(b) if so, the steps taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (BALASAHEB VIKHE PATIL)

(a) Price fluctuations on stock markets is a market phenomena and depend on several factors which include inter-alia, domestic and international events, economic fundamentals, market sentiments, expectations of investors regarding the performance of the corporate sector and the economy in general, about economic policies of the Government, developments in international capital markets. Globally, the markets are on a downtrend and this has also affected Indian markets.

(b) The objective of the Government and SEBI,the market regulator, is to ensure that capital markets operate in an orderly, transparent, safe and fair manner. To ensure this, SEBI hasput in place several surveillance and risk containment measures such as capital adequacy norms, margining systems, exposure controls and price bands.